

HOUSE BILL REPORT

HB 2118

As Reported by House Committee On:
Higher Education

Title: An act relating to long-term tuition policy.

Brief Description: Convening an advisory committee on tuition policy.

Sponsors: Representatives Wallace, Carlyle, Sullivan and Kenney.

Brief History:

Committee Activity:

Higher Education: 2/17/09, 2/18/09 [DPA].

Brief Summary of Amended Bill
(As Amended by House)

- Requires the Higher Education Coordinating Board (HECB) to convene an advisory committee on tuition policy and the total cost of attendance.
- Requires the HECB to report back to the Legislature by December 1, 2010.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended. Signed by 10 members: Representatives Wallace, Chair; Sells, Vice Chair; Anderson, Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Angel, Carlyle, Driscoll, Haler, Hasegawa and White.

Staff: Andi Smith (786-7304)

Background:

In 2006 the State Higher Education Executive Officers conducted a study entitled, "State Tuition, Fees, and Financial Assistance Policies for Public Colleges and Universities." In the report, states were asked to articulate the guiding philosophy driving decisions regarding tuition-setting policy. The philosophies fell into seven broad categories:

Tuition Should be set at a Reasonable Rate to Provide Access.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Community colleges were seen by most agencies as the lowest cost option for higher education. In California and Missouri, fees/tuition at community colleges are kept low to provide access to all residents, especially to low-income, underrepresented populations. Utah has enacted a low tuition policy to compensate for a family's limited ability to contribute to the educational costs of multiple children.

Overall, access to higher education has become an increasingly important issue for states in the past several years. The belief that low tuition will help to increase (or at least maintain) current levels of participation was shared by 18 states.

Tuition Should be Affordable.

Four states expressed a common concern about student loan burden and the ability of families to afford a college education. The 2005 Legislature in New Mexico recently passed the "College Affordability Act" to directly investigate the impact that increasing tuition levels have on students' ability to afford college.

Tuition Policy Should Promote a Balance Between Student and State Share of Educational costs.

Three states commented on the statewide philosophy of shared responsibility, where the student, the student's family, and the state all share in the cost of higher education.

Tuition Should Allow for Both Accessibility and High Quality Education.

Three states hold the belief that the goal of tuition is to provide a quality education at the most affordable price. Tuition increases should be balanced to maintain quality while still supporting access and attainment.

Tuition Should be Competitive with Similar Programs of Other States.

Three states modify their tuition policies to be competitive with those in similar states. Nevada is one example of a state gradually moving from using the Higher Education Price Index to the Western Interstate Commission on Higher Education median over the next several biennia.

Tuition Policy Should be Rational and Predictable.

Legislation passed by the Illinois General Assembly in 2003 required public universities to set a tuition rate for each incoming class of students that will not change for four years. This "truth-in-tuition" legislation is intended to stabilize tuition increases and help families with personal financial planning. Other states are exploring a similar cohort-based tuition model.

Tuition Policy is Driven by the Market.

Only Michigan directly cited using the market as a primary tool to drive tuition policy

Each of these philosophies has led the states to adopt different approaches to tuition, some of which retain authority at the state level, while others empower institutions to set tuition levels. Only seven states indicated that they had adopted a formal state policy.

Summary of Amended Bill:

The Higher Education Coordinating Board (HECB) must convene an advisory committee on resident undergraduate, graduate, and professional tuition policy. Membership must include one member from each of the public baccalaureate institutions, one member from a community college, one member from a technical college, one student attending a baccalaureate institution, one student attending a community or technical college, one graduate or professional student, two faculty members, as well as one member each from the HECB, State Board for Community and Technical Colleges, the Independent Colleges of Washington, and the Council of Presidents. The committee will also include two members from the House of Representatives and the Senate.

The advisory committee must investigate: (1) tuition policies and the total cost of attendance in other states and the requisite impacts on citizen participation in higher education; (2) models that would allow the state to charge differential tuition; and (3) models that encourage collaboration and facilitate enrollment at multiple institutions including online programs.

The advisory committee must make recommendations on the amount and manner of tuition-setting that support the implementation of the Strategic Master Plan for Higher Education. The advisory committee must report to the Legislature by December 1, 2010.

Bill Compared to Original Bill:

An additional graduate or professional student member and a member from the Independent Colleges of Washington are added to the advisory committee. The group will now study resident graduate and professional tuition and cost of attendance in addition to undergraduate tuition policy. The total cost of attendance is added to the scope of the advisory committee's duties.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) There are a number of issues related to setting tuition policy and they become especially important during down budget times like these. The Washington Learns process studied tuition policy and made recommendations that are the foundation for our current system of legislatively mandating caps on resident undergraduate tuition. There are other problems to be addressed, especially as it relates to students who want to enroll in more than one institution at the same time. Right now, students have to pay tuition twice. We need to have a discussion to figure out how to overcome some of these institutional barriers.

(In support with concerns) The Washington Student Lobby supports the idea of this bill. Students deserve a predictable, stable tuition policy and the state should have a plan to do that. However, we'd like to see more student representation on the advisory committee. They are the main stakeholders on this issue. Access to affordable tuition is key. There are two tuition models out there that don't work: (1) basing it in on income like Miami University, Ohio; and (2) a high tuition model like the University of Michigan. This bill only applies to undergraduates and graduate students must be included. Graduate students are different than undergraduates; we have families, we have higher levels of debt, we may work full time, and we should be represented. The Independent Colleges of Washington should also be included in the advisory committee.

(Neutral) The Higher Education Coordinating Board (HECB) wanted to share that the issues are vitally important and right now, the Advisory Council to the HECB is meeting on these very same issues. There is a white paper available for that group. The membership of the Advisory Council substantially overlaps with the membership of this group, though it is not the same. The HECB is not opposed to this legislation but are not fully convinced that this is necessary since there is active work already going on.

Persons Testifying: (In support) Representative Wallace, prime sponsor.

(In support with concerns) Morgan Holmgren, Associated Students of Western Washington University and Washington Student Lobby; Richard Lum, Associated Students of the University of Washington; Dave Iseminger, Professional Student Senate; and Greg Scheiderer, Independent Colleges of Washington.

(Neutral) Chris Thompson, Higher Education Coordinating Board.

Persons Signed In To Testify But Not Testifying: None.